



WASHINGTON, D.C. 20301-1000

14 MAR 1997



Honorable Floyd D. Spence  
Committee on National Security  
United States House of Representatives  
Washington, DC 20515-2455

Dear Mr. Chairman:

This is an interim reply to the requirement in Section 904 of the National Defense Authorization Act for Fiscal Year 1997 (P.L. 104-201) that the Secretary of Defense provide the Congress with a report on the size, mission, organization, and functions of the military department headquarters staffs.

Secretary Cohen and I are deeply committed to improving organization and management in the Department of Defense and, especially, to streamlining the Department's headquarters. We are conducting an in-depth review of the Office of the Secretary of Defense, in compliance with Section 901 of the National Defense Authorization Act for Fiscal Year 1996 (P.L. 104-106), and will submit our report to the Congress upon completion, which we anticipate later this Spring. A number of the key issues being addressed in this review (such as the appropriate role of the OSD staff in the DoD management process and in the oversight of Departmental level operating organizations) impact directly on the military department headquarters. Accordingly, we view the military department headquarters study as a follow-on effort, the thrust of which will be determined by the decisions made regarding the roles, missions, size, and organizational structure of the Office of the Secretary of Defense.

Secretary Cohen and I consider the requirements to review the Office of the Secretary of Defense and the military department headquarters as a unique opportunity to make lasting improvements in the department's management structure. We will complete them as soon as possible. In addition, we want to work closely with the Congress throughout this process, to ensure that we address issues of mutual concern.

The Secretary and I look forward to working with you in reshaping the Department to meet the leadership challenges it will face in the 21st Century.

Sincerely,